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September 27, 1995

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Re: San Fernando Valley Area 1 (North Hollywood),  
North Hollywood Operable Unit Consent Decree.

Dear Counsel:

Enclosed is the final North Hollywood Operable Unit partial consent decree for execution by your clients and the State of California Department of Toxic Substances Control. I have tried to make this draft fully accurate. If there are any problems, with luck they will be one-word changes that will not affect the pagination of the document, or your clients' willingness to sign off.

Please expedite execution of the consent decree if at all

NHOU Settling Defendants

p. 2

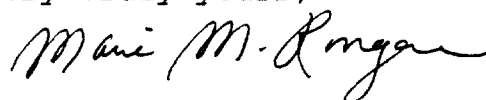
September 28, 1995

possible. As some of you are aware, Judge Pfaelzer has granted the government's motion to file the amended consent decree which adds your clients as parties to the lawsuit. (This was necessary since the court had previously ordered that all parties be added to the lawsuit by September 1, 1995). In your clients' best interests as well as its own, EPA would like to lodge the consent decree as soon as possible. However, we cannot put it through the chain of approval until it is fully executed.

I must also note that I still have not received information from one party (you know who you are) concerning the identity of the releasees associated with that party. We must also have that information, and it must be acceptable to EPA, before EPA management will approve the decree. As always, the entire decree remains subject to approval by EPA.

Thank you all for your cooperation and professional courtesy throughout these negotiations.

Very truly yours,

A handwritten signature in cursive script, reading "Marie M. Rongone".

Marie M. Rongone

cc: David Glazer, Esq.  
Ann Rushton, Esq.  
David Seter, H-6-4

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15  
16 IN THE UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

17 UNITED STATES OF AMERICA	)	
	)	
18 Plaintiff,	)	
	)	CIVIL NO. 93-6490-MRP(Tx)
19 v.	)	
	)	<u>PARTIAL CONSENT DECREE</u>
20 ALLIED-SIGNAL, INC., et al.,	)	
	)	
21 Defendants.	)	
	)	
22	)	
STATE OF CALIFORNIA	)	
	)	
23 Plaintiff,	)	
	)	
24 v.	)	
	)	<u>PARTIAL CONSENT DECREE</u>
25 ALLIED-SIGNAL, INC., et al.,	)	
	)	
26 Defendants.	)	
	)	
27	)	
28	)	

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TABLE OF CONTENTS

I.	<u>BACKGROUND</u>	1
II.	<u>DEFINITIONS</u>	7
III.	<u>JURISDICTION</u>	13
IV.	<u>PARTIES BOUND</u>	13
V.	<u>REIMBURSEMENT OF RESPONSE COSTS</u>	14
VI.	<u>COVENANTS NOT TO SUE AND RESERVATIONS OF RIGHTS</u>	18
VII.	<u>CONTRIBUTION PROTECTION</u>	25
VIII.	<u>NHOU SITE ACCESS</u>	27
IX.	<u>ACCESS TO INFORMATION</u>	28
X.	<u>RETENTION OF RECORDS</u>	30
XI.	<u>NOTICES AND SUBMISSIONS</u>	32
XII.	<u>RETENTION OF JURISDICTION</u>	34
XIII.	<u>LODGING AND OPPORTUNITY FOR PUBLIC COMMENT</u>	34
XIV.	<u>SECTION HEADINGS</u>	35
XV.	<u>SIGNATORIES</u>	36

1 I. BACKGROUND

2 A. COMPLAINTS. On October 26, 1993, the United States of  
3 America ("United States"), on behalf of the Administrator of the  
4 United States Environmental Protection Agency ("EPA"), and, on  
5 October 29, 1993, the State of California ("State"), on behalf of  
6 the State Department of Toxic Substances Control (formerly, the  
7 Toxic Substances Control Program of the State Department of  
8 Health Services), filed complaints in this matter pursuant to  
9 Sections 107 and 113 of the Comprehensive Environmental Response,  
10 Compensation, and Liability Act of 1980 ("CERCLA"), as amended,  
11 42 U.S.C. §§ 9607 and 9613. Both the United States and the State  
12 ("Plaintiffs") filed, prior to or concurrently with the lodging  
13 of this Consent Decree, amended complaints, which add additional  
14 defendants to the original complaints. In the amended  
15 complaints, the Plaintiffs seek recovery of response costs  
16 incurred by the Plaintiffs in connection with actions taken  
17 pursuant to CERCLA in response to releases and threatened  
18 releases of hazardous substances from the Defendants' facilities  
19 in the San Fernando Valley Groundwater Basin ("Basin") and at the  
20 North Hollywood Operable Unit Site ("NHOUSite") within the  
21 Basin.

22 B. SITE DESCRIPTION.

23 1. Basin. The San Fernando Valley Superfund Sites  
24 ("SFV Sites") are located in the eastern half of the Basin,  
25 between the San Gabriel and the Santa Monica Mountains, in Los  
26 Angeles County, California. EPA has divided the SFV Sites in two  
27 different ways. For the purpose of placing the SFV Sites on the  
28 National Priorities List ("NPL"), EPA divided the SFV Sites into

1 the following four areas based on the location of drinking water  
2 well fields that were known to be contaminated by volatile  
3 organic compounds ("VOCs") in 1984: Area 1 (North Hollywood  
4 Area), Area 2 (Crystal Springs Area), Area 3 (Verdugo Basin), and  
5 Area 4 (Pollock Area). Once more was known about the extent of  
6 groundwater contamination and for the purpose of accelerating the  
7 investigation and cleanup of the SFV Sites, EPA divided the SFV  
8 Sites into the following five Operable Units ("OUs"): North  
9 Hollywood (the NHOU Site), Burbank, Glendale North, Glendale  
10 South, and Pollock.

11 2. NHOU Site. This Consent Decree focuses on the  
12 NHOU Site, originally listed as part of the San Fernando Valley  
13 Area 1/North Hollywood Area NPL site. The NHOU Site is comprised  
14 of the areal extent of hazardous substance groundwater  
15 contamination that is presently located in the vicinity of the  
16 North Hollywood Well Field and includes any areas to which and  
17 from which such hazardous substance groundwater contamination  
18 migrates.

19 C. NATURE OF SITE CONTAMINATION. Tests conducted in the  
20 early 1980s to determine the presence of certain industrial  
21 chemicals in the State's drinking water revealed extensive VOC  
22 contamination in the Basin's groundwater. The primary  
23 contaminants of concern were and are the solvents trichloroethene  
24 ("TCE") and tetrachloroethene ("PCE"), widely used in a variety  
25 of industries including metal plating, machinery degreasing, and  
26 dry cleaning. By August 1985, groundwater from 27 of the 35  
27 production wells in the North Hollywood Well Field alone exceeded  
28 the Federal Maximum Contaminant Level ("MCL") for TCE. MCLs are

1 drinking water standards established under the Safe Drinking  
2 Water Act of 1974, as amended, 42 U.S.C. § 300f et seq. Other  
3 VOC contaminants in the Basin have also been detected above their  
4 MCLs. As a result of this groundwater contamination, many  
5 production wells have been taken out of service, despite the fact  
6 that the Basin's groundwater has been used to supply the domestic  
7 water needs of approximately 800,000 people. According to recent  
8 estimates, the plumes of TCE contamination above the MCL in the  
9 Basin's groundwater extend over an area eleven miles long and as  
10 great as three miles wide.

11 D. NPL LISTING. In June 1986, EPA placed the SFV Sites,  
12 which include the NHOU Site, on the NPL (see 51 Federal Register  
13 21054). The NPL is promulgated pursuant to Section 105 of  
14 CERCLA, 42 U.S.C. § 9605, and is a list of the most seriously  
15 contaminated hazardous substances sites in the country (see 40  
16 C.F.R. Part 300, Appendix B). As stated in Section I.B.1 above,  
17 the SFV Sites listed on the NPL are Area 1 (North Hollywood  
18 Area), Area 2 (Crystal Springs Area), Area 3 (Verdugo Basin), and  
19 Area 4 (Pollock Area). The original boundaries of the SFV Sites  
20 were based on the location of the drinking water well fields that  
21 were known to be contaminated by VOCs in 1984. Groundwater data  
22 collected since 1984 show that VOC groundwater contamination  
23 extends beyond the original boundaries drawn at the time the SFV  
24 Sites were placed on the NPL.

25 E. OU DESIGNATION. In 1985, EPA determined that the most  
26 effective way of dealing with the spreading groundwater  
27 contamination in the Basin was to divide the SFV Sites into OUs.  
28 Each OU represents a discrete, interim remedial action that will



1 inhibit the migration of contamination in the groundwater prior  
2 to the completion of a Basin-wide Remedial Investigation ("RI")  
3 and Feasibility Study ("FS") and selection of any Basin-wide  
4 remedial actions. As stated in Section I.B.1 above, EPA has  
5 identified the following five OUs: North Hollywood (the NHO  
6 Site), Burbank, Glendale North, Glendale South, and Pollock. EPA  
7 has issued Record of Decision ("ROD") documents selecting interim  
8 remedial actions for four of these OUs: NHO Site (1987),  
9 Burbank OU (1989), and Glendale North and South OUs (1993).

10 F. NHO SITE FS AND ROD. In November 1986, pursuant to a  
11 cooperative agreement with EPA and the State of California, the  
12 Los Angeles Department of Water and Power ("LADWP") completed an  
13 OU FS for the NHO Site. After providing an opportunity for the  
14 public to comment on the completed OU FS, in September 1987, EPA  
15 issued a ROD for the NHO Site. The interim remedial action  
16 selected in the 1987 NHO ROD is fifteen years of groundwater  
17 extraction and treatment.

18 G. NHO SITE INTERIM REMEDIAL ACTION. In 1989, pursuant  
19 to another cooperative agreement with EPA and the State of  
20 California, LADWP constructed the NHO Site groundwater  
21 extraction and treatment facilities. These facilities pump out  
22 contaminated groundwater, remove the contaminants from the  
23 groundwater, and convey the treated groundwater to LADWP's pump  
24 station for distribution to the public. Consistent with Section  
25 104(c)(3) of CERCLA, 42 U.S.C. § 9604(c)(3), EPA paid for ninety  
26 percent and the State paid for ten percent of the construction  
27 costs of the extraction and treatment facilities; and EPA is  
28 paying for ninety percent and the State is responsible for paying

1 ten percent of the operating costs of the NHOU Site interim  
2 remedial action. Pursuant to its cooperative agreement with EPA  
3 and the State of California, LADWP will continue to operate and  
4 maintain the NHOU Site Interim Remedial Action.

5 H. BASIN-WIDE GROUNDWATER AND SOIL CLEANUP ACTIVITIES.

6 Remediation of groundwater in the Basin is a collaborative  
7 undertaking of EPA, the State, LADWP, and the California Regional  
8 Water Quality Control Board, Los Angeles Region ("RWQCB"). In  
9 December 1992, pursuant to another cooperative agreement with  
10 EPA, LADWP completed the Phase 1 Basin-wide groundwater RI. EPA  
11 is currently preparing a Basin-wide groundwater FS. In addition  
12 to groundwater investigation and remediation activities, EPA, in  
13 conjunction with the State and RWQCB, has conducted and continues  
14 to conduct soil investigations at individual facilities  
15 throughout the Basin to uncover potential sources of groundwater  
16 contamination. In September 1989, EPA entered into a cooperative  
17 agreement with RWQCB to provide funds to augment the State's  
18 program to investigate sources of groundwater contamination in  
19 the Basin.

20 I. PLAINTIFFS' ALLEGATION OF DEFENDANTS' LIABILITY. The

21 Plaintiffs allege that: (i) the past, present, or potential  
22 migrations of "hazardous substances," as defined in Section  
23 101(14) of CERCLA, 42 U.S.C. § 9601(14), from the Defendants'  
24 "facilities," as defined in Section 101(9) of CERCLA, 42 U.S.C.  
25 § 9601(9), constitute actual or threatened "releases," as defined  
26 in Section 101(22) of CERCLA, 42 U.S.C. § 9601(22); (ii) the  
27 Defendants are persons subject to liability under Section 107(a)  
28 of CERCLA, 42 U.S.C. § 9607(a); (iii) the releases or threatened

1 releases of hazardous substances from the Defendants' facilities  
2 have caused the Plaintiffs to incur and to continue to incur  
3 "response" costs, within the meaning of Section 101(25) of  
4 CERCLA, 42 U.S.C. § 9601(25); and (iv) the actions taken by the  
5 Plaintiffs in response to releases or threatened releases of  
6 hazardous substances from the Defendants' facilities were not  
7 inconsistent with the National Contingency Plan.

8 J. SETTLING DEFENDANTS' DENIAL OF LIABILITY. The  
9 Defendants that have entered into this Consent Decree ("Settling  
10 Defendants") do not admit and expressly deny any liability to the  
11 Plaintiffs arising out of the transactions or occurrences alleged  
12 in the amended complaints or as set forth above. The Plaintiffs  
13 and the Settling Defendants agree that neither this Consent  
14 Decree, nor the entry into settlement, nor any payments pursuant  
15 to this Consent Decree shall constitute or be construed as a  
16 finding or an admission, adjudication or acknowledgement of any  
17 fact or law, or of any liability, fault or wrongdoing, or  
18 evidence of such, or an admission of violation of any law, rule  
19 or regulation by Settling Defendants nor as an estoppel or waiver  
20 of any defenses of Settling Defendants except as provided in  
21 Section VI.G of this Consent Decree.

22 K. PURPOSE.

23 1. Pursuant to a cooperative agreement with EPA and  
24 the State of California, LADWP is implementing the NHOI Interim  
25 Remedial Action selected in the 1987 NHOI ROD. The purpose of  
26 this Consent Decree is to avoid prolonged litigation and to  
27 provide for the Settling Defendants' payment of specified amounts  
28 of the past and future response costs for the NHOI Interim

1 Remedial Action selected in the 1987 NHOU ROD and of the past  
2 costs of Basin-wide investigations relating to their facilities  
3 located at the NHOU Site in full and complete satisfaction of any  
4 and all claims against Settling Defendants for such costs.

5           2. The parties to this Consent Decree ("Parties")  
6 recognize that the Settling Defendants' payment represents only a  
7 part of the total cost of the NHOU Interim Remedial Action  
8 selected in the 1987 NHOU ROD and of the past costs of Basin-wide  
9 investigations relating to the facilities located at the NHOU  
10 Site.

11           3. In entering into this Consent Decree, the  
12 Plaintiffs have considered the circumstances of the releases and  
13 threatened releases of hazardous substances in the Basin, the  
14 involvement of the Settling Defendants in the ownership and/or  
15 operation of facilities located at the NHOU Site and the  
16 willingness and capacity of Settling Defendants and the other  
17 Defendants to resolve this matter.

18           4. The Parties agree, and the Court by entering this  
19 Consent Decree finds, that this Consent Decree has been  
20 negotiated by the Parties in good faith and implementation of  
21 this Consent Decree will expedite the cleanup of the NHOU Site  
22 and will avoid prolonged and complicated litigation between the  
23 Parties, and that this Consent Decree is fair, reasonable, and in  
24 the public interest.

25           THEREFORE, with the consent of the parties to this Consent  
26 Decree, it is ORDERED, ADJUDGED, AND DECREED:

27                           II. DEFINITIONS

28           Unless otherwise expressly provided herein, terms used in

1 | this Consent Decree that are defined in CERCLA or in regulations  
2 | promulgated under CERCLA shall have the meaning assigned to them  
3 | in CERCLA or in such regulations. Whenever terms listed below  
4 | are used in this Consent Decree or in any appendices attached  
5 | hereto and incorporated hereunder, the following definitions  
6 | shall apply:

7 |       A.    "Basin-wide response costs" shall mean all costs that  
8 | the Plaintiffs have incurred or may incur for Basin-wide/non-  
9 | operable unit specific investigations or other non-operable unit  
10 | specific response actions.

11 |       B.    "CERCLA" shall mean the Comprehensive Environmental  
12 | Response, Compensation, and Liability Act of 1980, as amended, 42  
13 | U.S.C. §§ 9601 et seq.

14 |       C.    "Certification of Completion" shall mean EPA's  
15 | certification pursuant to Section 122(f)(3) of CERCLA, 42 U.S.C.  
16 | § 9622(f)(3), that all remedial actions have been completed that  
17 | relate to the NHOU Site in accordance with the requirements of  
18 | the National Contingency Plan and any applicable Record of  
19 | Decision.

20 |       D.    "Consent Decree" shall mean this Decree and any  
21 | attached appendices. In the event of conflict between this  
22 | Decree and any appendix, this Decree shall control.

23 |       E.    "Day" shall mean a calendar day. In computing any  
24 | period of time under this Consent Decree, where the last day  
25 | would fall on a Saturday, Sunday, or Federal Holiday, the period  
26 | shall run until the close of business of the next working day.

27 |       F.    "EPA" shall mean the United States Environmental  
28 | Protection Agency and any successor departments or agencies of

1 the United States.

2 G. "Future Basin-wide Response Costs" shall mean all  
3 Basin-wide response costs that EPA has incurred or will incur  
4 after April 30, 1992 and that the State has incurred or will  
5 incur after December 31, 1993.

6 H. "Interest," in accordance with Section 107(a) of  
7 CERCLA, 42 U.S.C. § 9607(a), shall mean interest at the rate  
8 specified for interest on investments of the Hazardous Substance  
9 Superfund established pursuant to the Internal Revenue Code, 26  
10 U.S.C. § 9507. In calculating interest, Plaintiffs may compound  
11 on a monthly or annual basis.

12 I. "Interim Remedial Action" shall mean the interim  
13 remedial action selected in the 1987 NHOU ROD.

14 J. "North Hollywood Operable Unit" or "NHOU Site" shall  
15 mean the areal extent of hazardous substance groundwater  
16 contamination that is presently located in the vicinity of the  
17 North Hollywood Well Field and includes any areas to which and  
18 from which such hazardous substance groundwater contamination  
19 migrates. EPA has determined that each of the Settling  
20 Defendants has owned and/or operated and/or currently owns and/or  
21 operates facilities that are located at the NHOU Site and/or has  
22 arranged for the disposal of hazardous substances at a facility  
23 located at the NHOU Site.

24 K. "Parties" shall mean the United States, the State of  
25 California, and the Settling Defendants.

26 L. "Past Basin-wide response costs" shall mean Basin-wide  
27 Response Costs incurred by EPA prior to and including April 30,  
28 1992 and Basin-wide Response Costs incurred by the State prior to

1 and including December 31, 1993.

2 M. "Plaintiffs" shall mean the United States and the State  
3 of California.

4 N. "Releasees" shall mean Settling Defendants and their  
5 officers, directors, employees and agents, and where the Settling  
6 Defendant is a trustee, its successor trustees appointed to carry  
7 out the purposes of said trust; and where the Settling Defendant  
8 is a corporate entity, its corporate successors to potential  
9 liability for the NHOU Site. "Releasees" shall also mean the  
10 following named entities associated with one or more of the  
11 Settling Defendants:

12 Affiliates of Waste Management Recycling & Disposal Services of  
13 California, Inc.:

14 Waste Management Disposal Services of California, Inc.  
15 ("WMDSC") f/k/a Valley Reclamation Co.; Bradley Landfill and  
16 Recycling Center, a division of WMDSC; Waste Management of  
17 California, Inc., including, but not limited to, its divisions  
18 Waste Management of Los Angeles-North, f/k/a Waste Management of  
19 San Fernando Valley, Waste Management of Los Angeles-South, f/k/a  
20 Waste Management of Gardena, and Universal Refuse Removal of El  
21 Cajon, f/k/a Universal Refuse Removal, Inc.; Waste Management  
22 Collection and Recycling, Inc., f/k/a Inland Disposal, Inc.,  
23 including, but not limited to its divisions American Waste  
24 Systems, f/k/a American Waste Systems, Inc. and Waste Transfer  
25 and Recycling f/k/a Waste Transfer and Recycling, Inc.; Waste  
26 Management, Inc., and WMX Technologies, Inc.

Affiliates of Lockheed Martin Corporation (f/k/a Lockheed Corporation) and/or Airport Group International, Inc. (f/k/a Lockheed Air Terminal, Inc.):

Lockheed Martin Corporation and its current and former subsidiaries, divisions and affiliates, including but not limited to Lockheed Martin Aeronautical Systems, f/k/a Lockheed Aeronautical Systems Company; and Lockheed Martin Skunk Works, f/k/a Lockheed Advanced Development Company; Airport Group International, Inc., f/k/a/ Lockheed Air Terminal, Inc., a wholly-owned subsidiary of Airport Group International Holdings, L.L.C., Lockheed Missiles & Space Company, Inc.; and Lockheed Corporation.

Affiliates of CalMat Co.:

CalMat Land Co., CalMat Properties Co., CalMat of Central California, CC Plaza Co., Coast Asphalt, Inc., Huntmix, Inc., Industrial Asphalt, Kirst Construction Co., Inc., Reliance Land Co., Reliance Transport Co., Rio Norte Este Co., River Vista Development Co., River Bend Corp., Sanger Rock and Sand, Sloan Canyon Sand Co., Triangle Rock Products, Inc., Western Thermal Soils Co.

Affiliates of Pick-Your-Part Auto Wrecking:

Sun Valley Pick-Your-Part Auto Wrecking; Pick Your Part Auto Recycling; The City Tow; Memory Lane Collector Car Parts; Insurance Salvage Service; Master Mining Systems; Multi-Metals; Pick Your Car; Yermo Signs; Cook, Carlton & Lee Advertising Company; Top Line Lien Sales; Help Yourself Auto Wrecking; Sun Valley Repair Shop; Hayward Associates; Contamination Clean-Up of



1 California, Inc.

2 Affiliates of Niels Bruun Andersen, as Trustee of the Erik and  
3 Else Bruun-Andersen Trust, and of Pacific Steel Treating Co.,  
4 Inc.:

5 Niels-Bruun Andersen

6 608 Batcheller Lane

7 Sioux Falls, SD 57105

8  
9 Erik Andersen

10 c/o Pacific Magnetic and Penetrant Co., Inc.

11 6837 Farmdale Ave.

12 North Hollywood, CA 91605

13 However, Releasees shall not include any person or entity  
14 with liability for the NHOU Site independent of that person's or  
15 entity's association with a Settling Defendant.

16 O. "Settling Defendants" shall mean CalMat Co.; Fleetwood  
17 Machine Products, Inc.; Airport Group International, Inc. (f/k/a  
18 Lockheed Air Terminal, Inc.); Lockheed Martin Corporation (f/k/a  
19 Lockheed Corporation); Pacific Steel Treating Company, Inc.;  
20 Pick-Your-Part Auto Wrecking; Waste Management Disposal Services  
21 of California, Inc.; Niels Bruun-Andersen, in his capacity as  
22 Trustee of the Erik and Else Bruun-Andersen Trust; and William L.  
23 Cooke and Jerry Conrow, in their capacity as Trustees of the  
24 Amended Cooke Family Trust.

25 P. "State" shall mean the State of California.

26 Q. "United States" shall mean the United States of  
27 America.

28 R. "1987 NHOU ROD" shall mean the EPA Record of Decision

1 relating to the North Hollywood Operable Unit of the San Fernando  
2 Valley Area 1/North Hollywood Area National Priorities List site  
3 that was signed in September 1987 by the EPA Region IX Deputy  
4 Regional Administrator, acting for the Regional Administrator,  
5 and all attachments thereto.

6 S. "1987 NHOU ROD response costs" shall mean all past and  
7 future costs that the Plaintiffs or any other person have  
8 incurred or will incur for implementation of the remedy selected  
9 in the 1987 NHOU ROD.

### 10 III. JURISDICTION

11 This Court has jurisdiction over the subject matter of this  
12 action pursuant to 28 U.S.C. §§ 1331 and 1345, and 42 U.S.C.  
13 §§ 9606, 9607, and 9613(b). This Court also has personal  
14 jurisdiction over the Settling Defendants. Solely for the  
15 purposes of this Consent Decree, the Settling Defendants waive  
16 all objections and defenses that they may have to jurisdiction of  
17 this Court or to venue in this District and shall not challenge  
18 the entry of this Consent Decree or this Court's jurisdiction to  
19 enter and enforce this Consent Decree.

### 20 IV. PARTIES BOUND

21 This Consent Decree is binding upon the Plaintiffs, and upon  
22 the Settling Defendants and their heirs, successors, and assigns.  
23 Any change in ownership or corporate or other legal status,  
24 including but not limited to any transfer of assets or real or  
25 personal property, shall in no way alter the status or  
26 responsibilities of the Settling Defendants under this Consent  
27 Decree.  
28

1  
2 V. REIMBURSEMENT OF RESPONSE COSTS

3 A. PAYMENT OF RESPONSE COSTS. Except as otherwise  
4 provided in Paragraph V.F, within thirty (30) days of entry of  
5 this Consent Decree, each Settling Defendant shall pay the  
6 settlement amount it is obligated to pay pursuant to Paragraph  
7 V.F below to the United States and to the State for 1987 NHOU ROD  
8 response costs and Past Basin-wide response costs.

9 B. FORM OF PAYMENT. Payment to the United States by each  
10 Settling Defendant shall be made by Electronic Funds Transfer  
11 ("EFT") to the U.S. Department of Justice lockbox, referencing  
12 CERCLA Site/Spill identifier Nos. N1 and 59, and the U.S.A.O. No.  
13 9305960. Payment shall be made in accordance with instructions  
14 provided by Plaintiff United States to the Settling Defendants  
15 upon execution of the Consent Decree. Any EFT received at the  
16 Department of Justice lockbox bank after 2:00 P.M. Eastern Time  
17 will be credited on the next business day. At the time of  
18 payment, each Settling Defendant shall simultaneously send  
19 written notice of payment and a copy of any transmittal  
20 documentation to the United States and EPA as specified in  
21 Section XI. The notice shall reference the North Hollywood  
22 Operable Unit/San Fernando Valley Area I Site and the civil  
23 action number 93-6490-MRP(Tx.). Payment to the State shall be  
24 made in the form of a certified check or cashier's check made  
25 payable to "Cashier, Department of Toxic Substances Control," and  
26 shall be forwarded to:

27 Department of Toxic Substances Control  
28 State of California  
Accounting Office  
400 P Street, 4th Floor

1 Sacramento, California 95814

2 Each Settling Defendant shall send a transmittal letter with the  
3 check referencing the North Hollywood Operable Unit/San Fernando  
4 Valley Area 1 Site, Project Nos. 300126 and 300287. Each  
5 Settling Defendant shall also send a copy of its check and  
6 transmittal letter to the State as specified in Section XI.

7 C. FAILURE TO MAKE TIMELY PAYMENTS

8 1. Interest on Late Payments. In the event that any  
9 payments required under Section V are not made when due, interest  
10 on the unpaid amount shall begin to accrue thirty (30) days after  
11 the effective date of this Consent Decree, at the rate specified  
12 in Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), through the  
13 date of payment.

14 2. Stipulated Penalties. If any amounts due to the  
15 Plaintiffs under this Consent Decree are not paid by the required  
16 date, the delinquent Settling Defendant shall pay as a stipulated  
17 penalty, in addition to the interest required by Section V.C.1  
18 above, \$1000 for the first 30 days and \$5,000 thereafter per day  
19 that such payment is late. Stipulated penalties are due and  
20 payable within thirty (30) days of the delinquent Settling  
21 Defendant's receipt from either Plaintiff of a demand for payment  
22 of the penalties. All payments of stipulated penalties to the  
23 United States shall be made in the form of a certified check or  
24 cashier's check made payable to "EPA Hazardous Substance  
25 Superfund," and shall be forwarded to:

26 U.S. Environmental Protection Agency, Region IX  
27 Superfund Accounting  
28 P.O. Box 360863M  
Pittsburgh, Pennsylvania 15251  
Attention: Collection Officer for Superfund

1 The delinquent Settling Defendant shall send a transmittal letter  
2 with the check referencing the North Hollywood Operable Unit/San  
3 Fernando Valley Area 1 Site and the civil action number 93-6490-  
4 MRP(Tx), and shall also state that the funds are to be applied to  
5 site spill identifier numbers N1 and 59. The delinquent Settling  
6 Defendant shall also send copies of the check and transmittal  
7 letter to the United States as specified in Section XI. All  
8 payments of stipulated penalties to the State shall be made in  
9 the form and manner specified in Section V.B above. Penalties  
10 shall accrue as provided above regardless of whether Plaintiffs  
11 have notified the delinquent Settling Defendant of the violation  
12 or made a demand for payment, but need only be paid upon demand.  
13 However, payment shall be considered timely with respect to each  
14 Settling Defendant so long as the Settling Defendant has given  
15 timely instructions to a competent financial institution for the  
16 subject Electronic Funds Transfer to be made in a timely manner,  
17 and has promptly upon the transfer obtained a written  
18 verification from the financial institution that the Electronic  
19 Funds Transfer was made in accordance with the Settling  
20 Defendant's instructions.

21 D. COLLECTION ACTIONS. If either Plaintiff must bring an  
22 action to collect any payment required by this Consent Decree,  
23 the delinquent Settling Defendant shall reimburse the Plaintiff  
24 bringing the action for all costs of such action, including but  
25 not limited to costs of attorney time.

26 E. RELATION TO OTHER REMEDIES. Payments made under  
27 Section V shall be in addition to any other remedies or sanctions  
28 available to the Plaintiffs by virtue of a delinquent Settling

1 Defendant's failure to make timely payments required by this  
2 Consent Decree.

3 F. PAYMENT SCHEDULE. The Settling Defendants shall pay  
4 the United States and the State the following sums, when and in  
5 the manner described in paragraphs V.A and B, above.

	<u>United States</u>	<u>State of California</u>
6 Lockheed Martin Corporation 7 f/k/a Lockheed Corporation/ 8 Airport Group International, Inc. f/k/a 9 Lockheed Air Terminal, Inc.	\$ 2,600,000	\$ 133,572
10 Calmat Co./Pick Your Part 11 Auto Wrecking/Waste Management 12 Disposal Services of California, 13 Inc.	\$ 1,500,000	\$ 78,215
14 Pacific Steel Treating Company/ 15 Inc./Niels Bruun-Andersen, as 16 Trustee of Erik and Else Bruun- 17 Andersen Trust	\$ 325,000	\$ 16,947
18 Fleetwood Machine Products, 19 Inc./William L. Cooke and 20 Jerry Conrow, as Trustees of 21 the Amended Cooke Family Trust	\$ 325,000	\$ 16,947

22 In lieu of the lump sum settlement payment specified in  
23 Paragraph F above, the following Settling Defendants: Fleetwood  
24 Machine Products, Inc., William L. Cooke and Jerry Conrow, as  
25 Trustees of the Amended Cooke Family Trust, hereinafter  
26 "Installment Settlers," may make payments as follows:

27 Installment Settlers shall pay \$ 75,000 when and in the  
28 manner described in Paragraphs V.A. and B above in accordance  
with instructions provided by Plaintiff United States to the  
Installment Settlers upon execution of the Consent Decree. The  
Installment Settlers shall pay the balance owed to Plaintiff  
United States within six months of execution of the Consent  
Decree. Interest shall accrue up to the date the balance,

1 including any accrued interest, is paid.

2 It is understood between Plaintiffs and Installment Settlers  
3 that the Installment Settlers shall attempt to sell the real  
4 property known as 2902 Washington Street, Phoenix, Arizona, in  
5 satisfaction of their remaining \$ 250,000 obligation to Plaintiff  
6 United States under this Consent Decree. It is understood by  
7 Plaintiff State and Installment Settlers that all sale proceeds  
8 in excess of \$ 250,000 shall be immediately applied to pay some  
9 or all of the Installment Settlers' liability to Plaintiff State.  
10 In the event no real property sale proceeds are available, the  
11 Installment Settlers shall pay their liability to the State of  
12 California in accordance with instructions provided by Plaintiff  
13 State to Installment Settlers, in two equal payments, the first  
14 being due within six months of execution of this Consent Decree,  
15 and the balance owed to Plaintiff State within one year of  
16 execution of this Consent Decree.

17 VI. COVENANTS NOT TO SUE AND RESERVATIONS OF RIGHTS

18 A. PLAINTIFFS' COVENANT NOT TO SUE. In consideration of  
19 the settlement payments that will be made by each Settling  
20 Defendant under the terms of the Consent Decree, and except as  
21 specifically provided in Sections VI.B, VI.C, VI.E, and VI.F, the  
22 Plaintiffs covenant not to sue or to take administrative action  
23 against such Settling Defendant and such additional Releasees as  
24 are defined in Section II, pursuant to Sections 106 and 107(a) of  
25 CERCLA and Section 7003 of the Resource Conservation and Recovery  
26 Act and comparable state law, including but not limited to the  
27 California Hazardous Substance Account Act, Health and Safety  
28 Code Section 25300, et seq., and/or common law with regard to all

1 1987 NHOU ROD response costs and all Past Basin-wide response  
2 costs. The covenant not to sue shall take effect as to each  
3 Settling Defendant and such additional Releasees as are defined  
4 in Section II, other than the Installment Settlor, upon the  
5 receipt by Plaintiffs of the payments of that Settling Defendant  
6 required by Section V; and as to each Installment Settlor, upon  
7 the receipt by the Plaintiffs of the initial payments required by  
8 Section V of that Settling Defendant. The covenant not to sue as  
9 to each Settling Defendant is conditioned upon the Settling  
10 Defendant making all of the payments required of that Settling  
11 Defendant by this Consent Decree. The covenant not to sue  
12 extends only to the Settling Defendants and the Releasees as  
13 defined in Section II, and does not extend to any other person.  
14 In the event of any breach by a Settling Defendant of its  
15 obligations under this Consent Decree, the covenant not to sue  
16 shall remain in effect as to the other Settling Defendants and  
17 Releasees despite said breach.

18 B. PLAINTIFFS' PRE-CERTIFICATION RESERVATIONS.

19 Notwithstanding any other provision of this Consent Decree, the  
20 Plaintiffs reserve, and this Consent Decree is without prejudice  
21 to, the right to institute proceedings in this action or in a new  
22 action, or to issue an administrative order seeking to compel the  
23 Settling Defendants (i) to perform further response actions  
24 relating to the NHOU Site or (ii) to reimburse Plaintiffs for  
25 costs of response related to such further response actions, if  
26 prior to the Certification of Completion:

- 27 1. conditions at the NHOU Site, previously unknown to  
28 the Plaintiffs, are discovered, or



1           2.     information, previously unknown to the Plaintiffs,  
2                 is received, in whole or in part,  
3     and these previously unknown conditions or information together  
4     with any other relevant information indicates that any remedial  
5     action taken at the NHOU Site is not protective of human health  
6     or the environment. As of the date of entry of this Consent  
7     Decree, EPA agrees that the interim remedial measures being  
8     implemented at the NHOU Site under the 1987 NHOU ROD are  
9     protective of human health and the environment.

10           C.     PLAINTIFFS' POST-CERTIFICATION RESERVATIONS.

11     Notwithstanding any other provision of this Consent Decree, the  
12     Plaintiffs reserve, and this Consent Decree is without prejudice  
13     to, the right to institute proceedings in this action or in a new  
14     action, or to issue an administrative order seeking to compel the  
15     Settling Defendants (i) to perform further response actions  
16     relating to the NHOU Site or (ii) to reimburse the Plaintiffs for  
17     such costs of response if, subsequent to the Certification of  
18     Completion:

19           1.     conditions at the NHOU Site, previously unknown to  
20                 the Plaintiffs, are discovered, or  
21           2.     information, previously unknown to the Plaintiffs,  
22                 is received, in whole or in part,  
23     and these previously unknown conditions or this information  
24     together with other relevant information indicate that any  
25     remedial action taken at the NHOU Site is not protective of human  
26     health or the environment.

27           D.     INFORMATION AND CONDITIONS KNOWN TO THE PLAINTIFFS.

28     For purposes of Section VI.B, the information and the conditions

1 known to the Plaintiffs shall include only that information and  
2 those conditions set forth in the 1987 NHOU ROD, the  
3 administrative record supporting the 1987 NHOU ROD, the San  
4 Fernando Valley Phase I Groundwater RI, December 1992, and all  
5 documents submitted to EPA in response to CERCLA Section 104(e)  
6 inquiries or other EPA requests prior to September 1, 1995. For  
7 purposes of Section VI.C, the information and the conditions  
8 known to the Plaintiffs shall include the information and  
9 conditions known to the Plaintiffs for purposes of Section VI.B,  
10 and that information and those conditions set forth in (i) any  
11 future Explanation(s) of Significant Differences, Record(s) of  
12 Decision, or Amendment(s) to any Record of Decision relating to  
13 the NHOU Site; (ii) the administrative record supporting any  
14 future Explanations of Significant Differences, Record(s) of  
15 Decision, or Amendments to any Records of Decision relating to  
16 the NHOU Site, (iii) all documents submitted to EPA in response  
17 to CERCLA Section 104(e) inquiries or other EPA requests prior to  
18 issuance of the Certification of Completion; and (iv) the record  
19 for the NHOU Site maintained by EPA following issuance of any  
20 Record of Decision but prior to issuance of the Certification of  
21 Completion.

22 E. PLAINTIFFS' GENERAL RESERVATION OF RIGHTS. The  
23 covenant not to sue set forth above does not pertain to any  
24 matters other than those expressly specified in Section VI.A.  
25 The Plaintiffs reserve, and this Consent Decree is without  
26 prejudice to, all rights against each Settling Defendant with  
27 respect to all other matters, including, but not limited to, the  
28 following:

1. claims based on a failure by that Settling Defendant to meet a requirement of this Consent Decree;
2. liability arising from the past, present, or future disposal, release, or threat of release of hazardous substances outside of the NHOU Site;
3. liability for damages for injury to, destruction of, or loss of natural resources;
4. liability for response costs to enforce CERCLA or any other federal environmental law that have been or may be incurred by any federal agencies other than EPA or the Department of Justice on behalf of EPA;
5. liability for response costs to enforce CERCLA or any state environmental law that has been or may be incurred by any state agencies other than DTSC or the State Department of Justice on behalf of DTSC; and
6. criminal liability.

F. PLAINTIFFS' NHOU SITE-SPECIFIC RESERVATION OF RIGHTS.

The covenant not to sue set forth above specifically does not pertain to the performance of any Remedial Investigation/ Feasibility Study ("RI/FS") other than the 1986 Operable Unit Feasibility Study that formed the basis for the 1987 NHOU ROD; additional response actions that may be implemented pursuant to any final remedy or pursuant to any future Explanation(s) of Significant Differences, Record(s) of Decision, or Amendment(s) to any Record of Decision; costs or activities related to any

1 operable unit other than the NHOU Site, including any future  
2 operable unit(s); or any unknown environmental condition as to  
3 which Plaintiffs have reserved their rights in Paragraphs C and D  
4 above.

5 Plaintiff State of California currently does not fund the  
6 costs of operation and maintenance of the North Hollywood  
7 facility and is not seeking to recover such costs in this action.  
8 Costs of operations and maintenance are being funded by the  
9 United States and LADWP pursuant to contractual agreement.

10 However, in the event that the State subsequently incurs  
11 operations and maintenance costs due to a failure by either the  
12 United States or the LADWP to fund the operation and maintenance  
13 costs of the North Hollywood facility, such costs are not to be  
14 considered "1987 NHOU ROD response costs" as defined in this  
15 Consent Decree and the State reserves the right to seek recovery  
16 of such operations and maintenance costs from any potentially  
17 responsible party, including each of the Settling Defendants.

18 G. SETTLING DEFENDANTS' RESERVATION OF RIGHTS. Settling  
19 Defendants reserve any and all defenses or rights they may have  
20 with respect to any actions concerning the NHOU Site except any  
21 rights expressly waived in this Decree. Settling Defendants  
22 retain any and all rights, claims, remedies and defenses that  
23 they have or may have against any person or entity not expressly  
24 waived in this Decree, except for rights, claims and remedies any  
25 Settling Defendant has or may have against any other Settling  
26 Defendant(s) or Releasees for matters addressed in this Consent  
27 Decree, which are hereby expressly waived. This reservation  
28 shall not affect each Settling Defendant's obligation to perform

1 its obligation under this Decree, and shall not affect EPA's  
2 ability to assess stipulated penalties in accordance with Section  
3 V.C.2 (Stipulated Penalties).

4 H. SETTLING DEFENDANTS' COVENANT. The Settling Defendants  
5 hereby covenant not to sue and agree not to assert any claims or  
6 causes of action against either Plaintiff with respect to 1987  
7 NHOU ROD and Past Basin-wide response costs including, but not  
8 limited to, (i) any direct or indirect claim for reimbursement  
9 from the Hazardous Substance Superfund (established pursuant to  
10 the Internal Revenue Code, 26 U.S.C. § 9507), under CERCLA  
11 §§106(b)(2), 107, 111, 112, or 113, or any other provision of  
12 law; (ii) any claim against the United States or the State,  
13 including any department, agency, or instrumentality of the  
14 United States or State pursuant to Sections 107 and 113 of CERCLA  
15 related to the 1987 NHOU ROD response costs or the Basin-wide  
16 past response costs; or (iii) any claims arising out of response  
17 activities at the NHOU Site. However, and notwithstanding the  
18 foregoing, nothing in this Consent Decree shall be interpreted as  
19 waiving, abrogating, or resolving (1) any claims which any  
20 Settling Defendant has or may have based upon any alleged  
21 liability which the United States Department of Defense, any  
22 branch or division thereof, or any predecessor agency has or may  
23 have for conditions at the Site pursuant to CERCLA Section 106,  
24 107, 113, 120 or 310, 42 U.S.C. §§ 9606, 9607, 9613, 9620 or  
25 9659, or RCRA Section 7002, 42 U.S.C. § 6972, or (2) any claims  
26 which any Settling Defendant has or may have with respect to the  
27 1987 NHOU ROD response costs or Past Basin-wide Response Costs  
28 against the United States pursuant to any contract between any

1 Settling Defendant and the United States or any government  
2 contractor(s). Nothing in this Consent Decree shall be deemed to  
3 constitute preauthorization of a claim within the meaning of  
4 Section 111 of CERCLA, 42 U.S.C. § 9611, or 40 C.F.R.  
5 § 300.700(d).

6 VII. CONTRIBUTION PROTECTION

7 A. Except for the Releasees as defined in Section II,  
8 nothing in this Consent Decree shall be construed to create any  
9 rights in, or grant any cause of action to, any person not a  
10 party to this Consent Decree. Each of the Parties expressly  
11 reserves any and all rights (including, but not limited to, any  
12 right to contribution), defenses, claims, demands, and causes of  
13 action which each party may have with respect to any matter,  
14 transaction, or occurrence relating in any way to the NHOU Site  
15 against any person not a party hereto or a Releasee.

16 B. With regard to claims for contribution against the  
17 Releasees for matters addressed in this Consent Decree, the  
18 Parties hereto agree that the Releasees are entitled to the  
19 protection from contribution actions or claims provided by  
20 Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2).

21 C. "Matters addressed in this Consent Decree" mean 1987  
22 NHOU ROD response costs and Past Basin-wide response costs and  
23 shall include any claim for such costs that either Plaintiff has  
24 or may have against any Releasee with respect to any facility  
25 located within the NHOU Site, subject only to the following  
26 qualifications and exceptions. "Matters addressed in this  
27 Consent Decree" shall include, but not be limited to, any claim  
28 for such costs that either Plaintiff has or may have against

1 CalMat Co. or any Releasees described in Section II above as  
2 affiliates of CalMat Co. with respect to the facility located at  
3 8251 Tujunga Avenue, Sun Valley, California, but shall not  
4 include any other claim for response costs that either Plaintiff  
5 has or may have against any Releasee based upon that Releasee's  
6 CERCLA section 107(a) liability for release of a hazardous  
7 substance from a facility described in the Plaintiffs' first  
8 amended complaint(s) in these consolidated actions as a facility  
9 currently owned or operated by any defendant other than Settling  
10 Defendants.

11 D. The Settling Defendants agree that with respect to any  
12 suit or claim for contribution brought by them for matters  
13 addressed in this Consent Decree they will notify the Plaintiffs  
14 in writing no later than sixty (60) days prior to the initiation  
15 of such suit or claim. The Settling Defendants also agree that  
16 with respect to any suit or claim for contribution brought  
17 against them for matters addressed in this Consent Decree they  
18 will notify in writing the Plaintiffs within sixty (60) days of  
19 service of the complaint on them. In addition, the Settling  
20 Defendants shall notify the Plaintiffs within ten (10) days of  
21 service or receipt of any Motion for Summary Judgment for matters  
22 addressed in this Consent Decree and within ten (10) days of  
23 receipt of any order from a court setting a case for trial for  
24 matters addressed in this Consent Decree.

25 E. The Settling Parties recognize and acknowledge that the  
26 settlement embodied in this Consent Decree relates only to the  
27 Interim Remedial Action selected in the 1987 NHOU ROD, as well as  
28 Past Basin-wide past response costs, and that additional remedial

1 actions may be necessary to address the contamination at the NHOU  
2 Site. In any subsequent administrative or judicial proceeding  
3 initiated by the United States or the State and not precluded by  
4 this Consent Decree for injunctive relief, recovery of response  
5 costs, or other appropriate relief relating to the NHOU Site, the  
6 Settling Defendants shall not assert, and may not maintain, any  
7 defense or claim based upon the principles of waiver, res  
8 judicata, collateral estoppel, issue preclusion, claim-splitting,  
9 or other defenses based upon any contention that the claims  
10 raised by the United States or the State in the subsequent  
11 proceeding were or should have been brought in the instant case;  
12 provided, however, that nothing in this Section VII.E affects  
13 the enforceability of the covenants not to sue set forth in  
14 Section VI.

#### 15 VIII. NHOU SITE ACCESS

16 A. Commencing upon the date of entry of this Consent  
17 Decree and terminating upon issuance of a final ROD for the NHOU  
18 Site, the Settling Defendants who own property at the NHOU Site  
19 agree to provide the Plaintiffs and their representatives access  
20 at all reasonable times to their facilities located at the NHOU  
21 Site and any other property owned or controlled by the Settling  
22 Defendants to which access is required for the implementation of  
23 response actions for the NHOU Site, including, but not limited  
24 to, the following actions:

- 25 1. monitoring, investigation, remedial, or other  
26 activities at the NHOU Site;
- 27 2. verifying any data or information submitted to  
28 either Plaintiff;



- 1           3.     conducting investigations relating to
- 2                 contamination at or near the NHOU Site;
- 3           4.     obtaining samples; and
- 4           5.     assessing the need for, planning, or implementing
- 5                 response actions at or near the NHOU Site.

6           To the extent Plaintiffs deem consistent with protection of  
7 human health and the environment, Plaintiffs will provide the  
8 Settling Defendant with twenty-four (24) hours' notice prior to  
9 entry to properties accessed pursuant to this Consent Decree. In  
10 accessing Settling Defendants' properties pursuant to this  
11 Consent Decree, Plaintiffs shall not unreasonably interfere with  
12 Settling Defendants' business activities. However, nothing in  
13 this paragraph shall provide any Settling Defendant with any  
14 claim or cause of action whatsoever against Plaintiffs, including  
15 without limitation any claim for injunctive relief. It shall not  
16 constitute an unreasonable interference with Settling Defendants'  
17 business activities for a Plaintiff to take any action in  
18 response to an emergency deemed by such Plaintiff to constitute  
19 an endangerment to human health or the environment. Plaintiffs  
20 agree to split samples taken on property owned or controlled by a  
21 Settling Defendant if requested by the Settling Defendant.

22           B.     Notwithstanding any provision of this Consent Decree,  
23 the Plaintiffs retain all of their respective access authorities  
24 and rights, including enforcement authorities related thereto,  
25 under CERCLA and any other applicable statute or regulation.

#### 26                     IX.   ACCESS TO INFORMATION

27           A.     The Settling Defendants shall provide to the  
28 Plaintiffs, upon request, copies of all non-privileged documents

1 and information within their possession or control or that of  
2 their contractors or agents relating to the NHOU Interim Remedial  
3 Action, including, but not limited to, sampling, analysis, chain  
4 of custody records, manifests, trucking logs, receipts, reports,  
5 sample traffic routing, correspondence, or other documents or  
6 information related to the NHOU Site Interim Remedial Action.

7       B.     The Settling Defendants may assert business  
8 confidentiality claims covering part or all of the documents or  
9 information submitted to the Plaintiffs under this Consent Decree  
10 to the extent permitted by and in accordance with Section  
11 104(e)(7) of CERCLA, 42 U.S.C. § 9604(e)(7), and 40 C.F.R.  
12 § 2.203(b). Documents or information determined to be  
13 confidential by EPA will be afforded the protection specified in  
14 40 C.F.R. Part 2, Subpart B. If no claim of confidentiality  
15 accompanies documents or information when they are submitted to  
16 either Plaintiff, or if EPA has notified the Settling Defendants  
17 that the documents or information are not confidential under the  
18 standards of Section 104(e)(7) of CERCLA, the public may be given  
19 access to such documents or information without further notice to  
20 the Settling Defendants.

21       C.     The Settling Defendants may assert that certain  
22 documents, records, and other information are privileged under  
23 the attorney-client privilege or any other privilege recognized  
24 by federal or state law. If the Settling Defendants assert such  
25 a privilege in lieu of providing documents, they shall provide  
26 the Plaintiffs with the following: (i) the title of the  
27 document, record, or information; (ii) the date of the document,  
28 record, or information; (iii) the name and title of the author of

1 the document, record, or information; (iv) the name and title of  
2 each addressee and recipient; (v) a description of the subject of  
3 the document, record, or information; and (vi) the privilege  
4 asserted. However, no documents, reports, or other information  
5 created or generated pursuant to the requirements of this or any  
6 other consent decree with the United States shall be withheld on  
7 the grounds that they are privileged. If a claim of privilege  
8 applies only to a portion of a document, the document shall be  
9 provided to Plaintiffs in redacted form to mask the privileged  
10 information only.

11 D. No claim of confidentiality or privilege shall be made  
12 with respect to any document that falls within Section  
13 104(e)(7)(F) of CERCLA, 42 U.S.C. § 9604(e)(7)(F).

14 E. Notwithstanding any provision of this Consent Decree,  
15 the Plaintiffs retain all of their respective information  
16 gathering authorities and rights, including enforcement  
17 authorities related thereto, under CERCLA and any other  
18 applicable statute or regulation.

19 X. RETENTION OF RECORDS

20 A. Until ten (10) years after the entry of this Consent  
21 Decree, each Settling Defendant shall preserve and retain all  
22 records and documents now in its possession or control or which  
23 come into its possession or control that relate in any manner to  
24 releases of hazardous substances or liability for response  
25 actions taken at the NHOU Site or the liability of any person for  
26 releases of hazardous substances or liability for response  
27 actions conducted and to be conducted at the NHOU Site,  
28 regardless of any corporate retention policy to the contrary.

1        B.    At the conclusion of this document retention period,  
2 the Settling Defendants shall notify the Plaintiffs at least  
3 ninety (90) days prior to the destruction of any such records or  
4 documents, and, upon request by either Plaintiff, the Settling  
5 Defendants shall deliver any such records or documents to the  
6 Plaintiff who made the request. The Settling Defendants may  
7 assert that certain documents, records, and other information are  
8 privileged under the attorney-client privilege or any other  
9 privilege recognized by federal or state law. If the Settling  
10 Defendants assert such a privilege, they shall provide the  
11 Plaintiffs with the following: (i) the title of the document,  
12 record, or information; (ii) the date of the document, record, or  
13 information; (iii) the name and title of the author of the  
14 document, record, or information; (iv) the name and title of each  
15 addressee and recipient; (v) a description of the subject of the  
16 document, record, or information; and (vi) the privilege  
17 asserted. However, no documents, reports, or other information  
18 created or generated pursuant to the requirements of this or any  
19 other consent decree with the United States shall be withheld on  
20 the grounds that they are privileged. If a claim of privilege  
21 applies only to a portion of a document, the document shall be  
22 provided to Plaintiffs in redacted form to mask the privileged  
23 information only.

24        C.    Each Settling Defendant hereby certifies, individually,  
25 that it has not since notification of potential liability by the  
26 United States or the State or the filing of suit against it  
27 regarding the NHOU Site altered, mutilated, discarded, destroyed,  
28 or otherwise disposed of any records, documents, or other

1 information relating to its potential liability regarding the  
2 NHOU Site which are the sole record of factual information,  
3 except as such documents are destroyed or altered in the ordinary  
4 course of Settling Defendants' business and in compliance with  
5 State and federal law, and have not been destroyed for an  
6 improper purpose. Each Settling Defendant further warrants that  
7 it has fully complied with any and all EPA requests for  
8 information pursuant to Sections 104(e) and 122(e) of CERCLA, 42  
9 U.S.C. §§ 9604(e) and 9622(e), and Section 3007 of the Resource  
10 Conservation and Recovery Act, 42 U.S.C. § 6927.

#### 11 XI. NOTICES AND SUBMISSIONS

12 Whenever, under the terms of this Consent Decree, notice is  
13 required to be given or a document is required to be sent by one  
14 Party to another, it shall be directed to the individuals at the  
15 addresses specified below, unless those individuals or their  
16 successors give notice of a change to the other Parties in  
17 writing. Written notice as specified herein shall constitute  
18 complete satisfaction of any written notice requirement of the  
19 Consent Decree with respect to the United States, EPA, the State,  
20 and the Settling Defendants, respectively.

21 As to the United States:

22  
23 David B. Glazer  
24 Environmental Enforcement Section  
25 Environment and Natural Resources Division  
26 United States Department of Justice  
27 301 Howard Street, Suite 870  
28 San Francisco, California 94115

Chief, Environmental Enforcement Section  
Environment and Natural Resources Division  
U.S. Department of Justice  
P.O. Box 7611  
Ben Franklin Station

Washington, D.C. 20044  
Re: Case No. 90-11-3-1149

As to EPA:

Remedial Project Manager — North Hollywood Operable Unit  
San Fernando Valley Superfund Site  
Hazardous Waste Management Division  
U.S. Environmental Protection Agency, Region IX  
75 Hawthorne Street  
San Francisco, California 94105

Marie M. Rongone  
Assistant Regional Counsel  
U.S. Environmental Protection Agency, Region IX  
75 Hawthorne Street, RC-3-3  
San Francisco, California 94105

As to the State of California Department of Toxic Substances  
Control:

Ann Rushton  
Deputy Attorney General, Environment Section  
California Department of Justice  
300 South Spring Street, #5000  
Los Angeles, California 90013

Chief, Site Mitigation Branch  
Department of Toxic Substances Control, Region 3  
1011 North Grandview Avenue  
Glendale, California 91201

As to the Settling Defendants:

For Airport Group International and Lockheed Martin Corporation

Dominic J. Hanket, Esq.  
Assistant General Counsel  
Lockheed Martin Corporation  
4500 Park Granada Boulevard  
Calabasas, CA 91399-0410

For CalMat Co.

Paul Stanford  
General Counsel  
CalMat Co.  
3200 San Fernando Road  
Los Angeles, California 90065

For Pick Your Part Auto Wrecking

Glenn McElroy  
Pick-Your-Part Auto Wrecking

1 1301 East Orangewood  
2 Anaheim, California 92805

3 For Waste Management Disposal Services of California, Inc.

4 General Counsel  
5 3003 Butterfield Road  
6 Oak Brook, Illinois 60521

7 and

8 P.B. "Lynn" Walker  
9 Senior Environmental Counsel  
10 3900 S. Wadsworth Blvd., Ste. 800  
11 Lakewood, CO 80235

12 For Pacific Steel Treating Company, Inc. and the Erik and Else  
13 Bruun-Anderson Trust

14 Niels Bruun Andersen  
15 608 Batcheller Lane  
16 Sioux Falls, SD 57105

17 Erik Andersen  
18 c/o Pacific Magnetic and Penetrant Co., Inc.  
19 6837 Farmdale Ave.  
20 North Hollywood, CA 91605

21 For William L. Cooke and Jerry N. Conrow, as Trustees of the  
22 Amended Cooke Family Trust, and for Fleetwood Machine Products,  
23 Inc.

24 Charles H. Pomeroy  
25 McKenna & Cuneo  
26 444 S. Flower St., 7th floor  
27 Los Angeles, CA 90071

## 28 XII. RETENTION OF JURISDICTION

29 This Court shall retain jurisdiction of this matter for the  
30 purpose of enforcing the terms of this Consent Decree.

## 31 XIII. LODGING AND OPPORTUNITY FOR PUBLIC COMMENT

32 A. This Consent Decree shall be lodged with the Court for  
33 a period of thirty (30) days for public notice and comment. The  
34 Plaintiffs reserve the right to withdraw or withhold their

1 consent if the comments regarding the Consent Decree disclose  
2 facts or considerations that indicate that this Consent Decree is  
3 inappropriate, improper, or inadequate. The Settling Defendants  
4 consent to the entry of this Consent Decree without further  
5 notice.

6 B. If for any reason this Court, or upon appeal, a higher  
7 court should decline to approve this Consent Decree in the form  
8 presented, this agreement is voidable as to a Settling Defendant  
9 by written notice by such Settling Defendant to all other  
10 parties, or as to either Plaintiff by written notice by such  
11 Plaintiff to all other parties, and the terms of the agreement  
12 may not be used as evidence in any litigation between any of the  
13 remaining Parties to this Consent Decree and that Settling  
14 Defendant or Plaintiff as to whom this Consent Decree is void.

#### 15 XIV. SECTION HEADINGS

16 The section headings set forth in this Consent Decree and  
17 its Table of Contents are included for convenience or reference  
18 only and shall be disregarded in the construction and  
19 interpretation of any of the provisions of this Consent Decree.  
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XV. SIGNATORIES

Each undersigned representative of a Settling Defendant to this Consent Decree, the Assistant Attorney General for the Environment and Natural Resources Division of the United States Department of Justice, and the Deputy Attorney General of the California Department of Justice certifies that he or she is fully authorized to enter into the terms and conditions of this Consent Decree and to execute and legally bind such party to this document.

SO ORDERED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
United States District Judge

1 THE UNDERSIGNED PARTIES enter into this Consent Decree in the  
2 matter of U.S. v. Allied-Signal, Inc., et al., and California v.  
3 Allied-Signal, Inc., et al., 93-6490-MRP(Tx), North Hollywood  
4 Operable Unit/San Fernando Valley Area 1 Site.

5 FOR THE UNITED STATES OF AMERICA

6  
7 Date: \_\_\_\_\_

8 LOIS J. SCHIFFER  
9 Assistant Attorney General  
10 Environment and Natural Resources  
11 Division  
12 U.S. Department of Justice

13  
14 Date: \_\_\_\_\_

15 DAVID B. GLAZER  
16 Environmental Enforcement Section  
17 Environment and Natural Resources  
18 Division  
19 U.S. Department of Justice

20  
21 Date: \_\_\_\_\_

22 GERALD M. CLIFFORD  
23 Assistant Administrator for Enforcement  
24 U.S. Environmental Protection Agency

25  
26 Date: \_\_\_\_\_

27 FELICIA MARCUS  
28 Regional Administrator, Region IX  
U.S. Environmental Protection Agency

29  
30 Date: \_\_\_\_\_

31 MARIE M. RONGONE  
32 Assistant Regional Counsel, Region IX  
33 U.S. Environmental Protection Agency

34 FOR THE STATE OF CALIFORNIA

1 | Date: \_\_\_\_\_  
2 | Hamid Saebfar  
3 | Chief, Site Mitigation Branch  
4 | California Department of Toxic  
5 | Substances Control, Region 3  
6 |  
7 | Date: \_\_\_\_\_  
8 | ANN RUSHTON  
9 | Deputy Attorney General  
10 | California Department of Justice  
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1 THE UNDERSIGNED PARTIES enter into this Consent Decree in the  
2 matter of U.S. v. Allied-Signal, Inc., et al., 93-6490-MRP(Tx),  
3 and California v. Allied-Signal, Inc., et al., 93-6570-MRP(Tx),  
4 North Hollywood Operable Unit/San Fernando Valley Area 1 Site.

5 FOR DEFENDANTS:

6 LOCKHEED MARTIN CORPORATION (f/k/a Lockheed Corporation)  
7 AIRPORT GROUP INTERNATIONAL, INC. (f/k/a Lockheed Air Terminal,  
8 Inc.)  
9

10 \_\_\_\_\_  
11 VINCENT N. MARAFINO  
12 Executive Vice-President, Lockheed Martin Corporation

13 Date: \_\_\_\_\_

14  
15 WASTE MANAGEMENT RECYCLING AND DISPOSAL  
16 SERVICES OF CALIFORNIA, INC.  
17

18 \_\_\_\_\_  
19 GREG LOUGHNANE  
20 President

21 Date: \_\_\_\_\_

22 CALMAT CO.  
23

24 \_\_\_\_\_  
25 A. FREDERICK GERSTELL  
26 President

27 Date: \_\_\_\_\_  
28

1 PICK-YOUR-PART AUTO WRECKING  
2  
3

4 \_\_\_\_\_  
GLENN C. MCELROY  
President

5 Date: \_\_\_\_\_  
6

Date: \_\_\_\_\_

7  
8 PACIFIC STEEL TREATING  
COMPANY, INC.  
9

10  
11 \_\_\_\_\_  
NIELS BRUUN-ANDERSEN  
President

12  
13 Date: \_\_\_\_\_  
14

15  
16 ERIK AND ELSE BRUUN-ANDERSEN  
TRUST  
17

18  
19 \_\_\_\_\_  
NIELS BRUUN-ANDERSEN  
Trustee of the Erik and Else  
Bruun-Andersen Trust

20  
21 Date: \_\_\_\_\_  
22

23 FLEETWOOD MACHINE PRODUCTS, INC.  
24  
25

26 \_\_\_\_\_  
WILLIAM COOKE  
President

27 Date: \_\_\_\_\_  
28

1  
2 AMENDED COOKE FAMILY TRUST  
3  
4

5 WILLIAM L. COOKE  
6 Co-Trustee of the Amended Cooke  
Cooke Family Trust

7 Date: \_\_\_\_\_

JERRY CONROW  
Co-Trustee of the Amended  
Cooke Family Trust

Date: \_\_\_\_\_